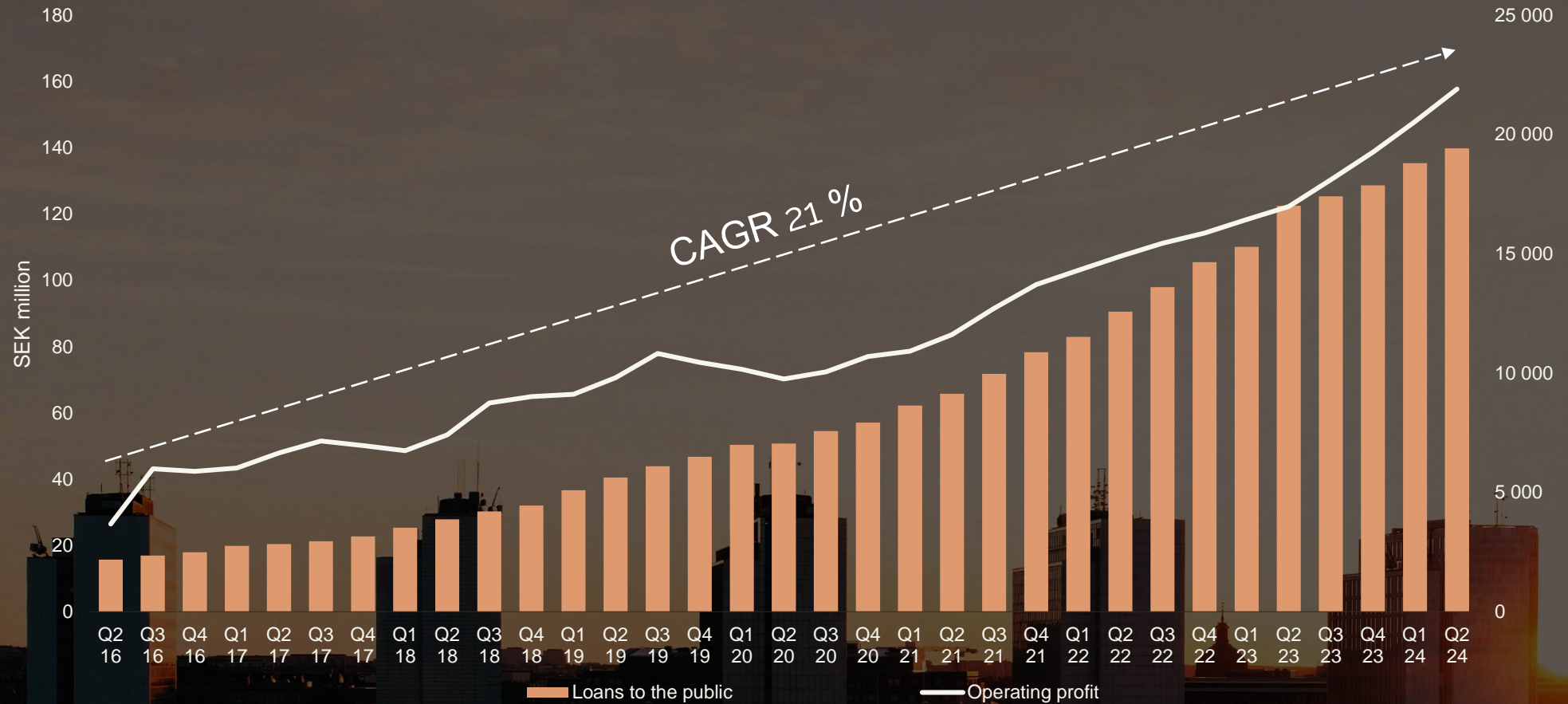


# TRACK RECORD SINCE IPO



\* Excluding items affecting comparability Q4-18, Q1-20





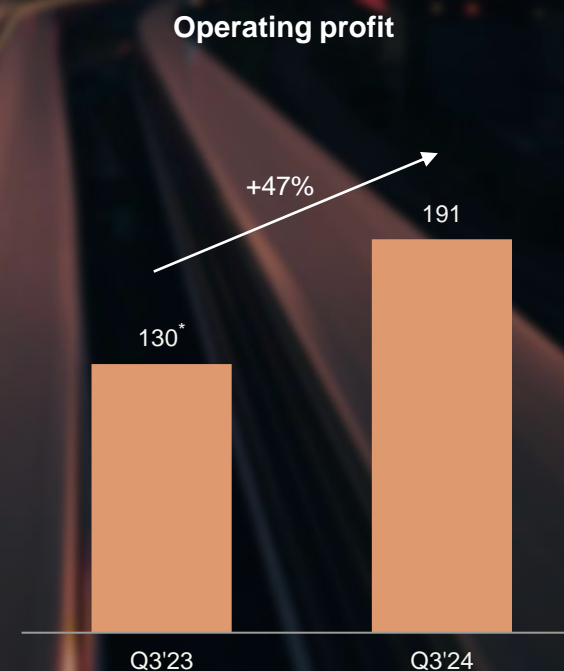
TFBank

3<sup>rd</sup> Quarter 2024

RESULT PRESENTATION

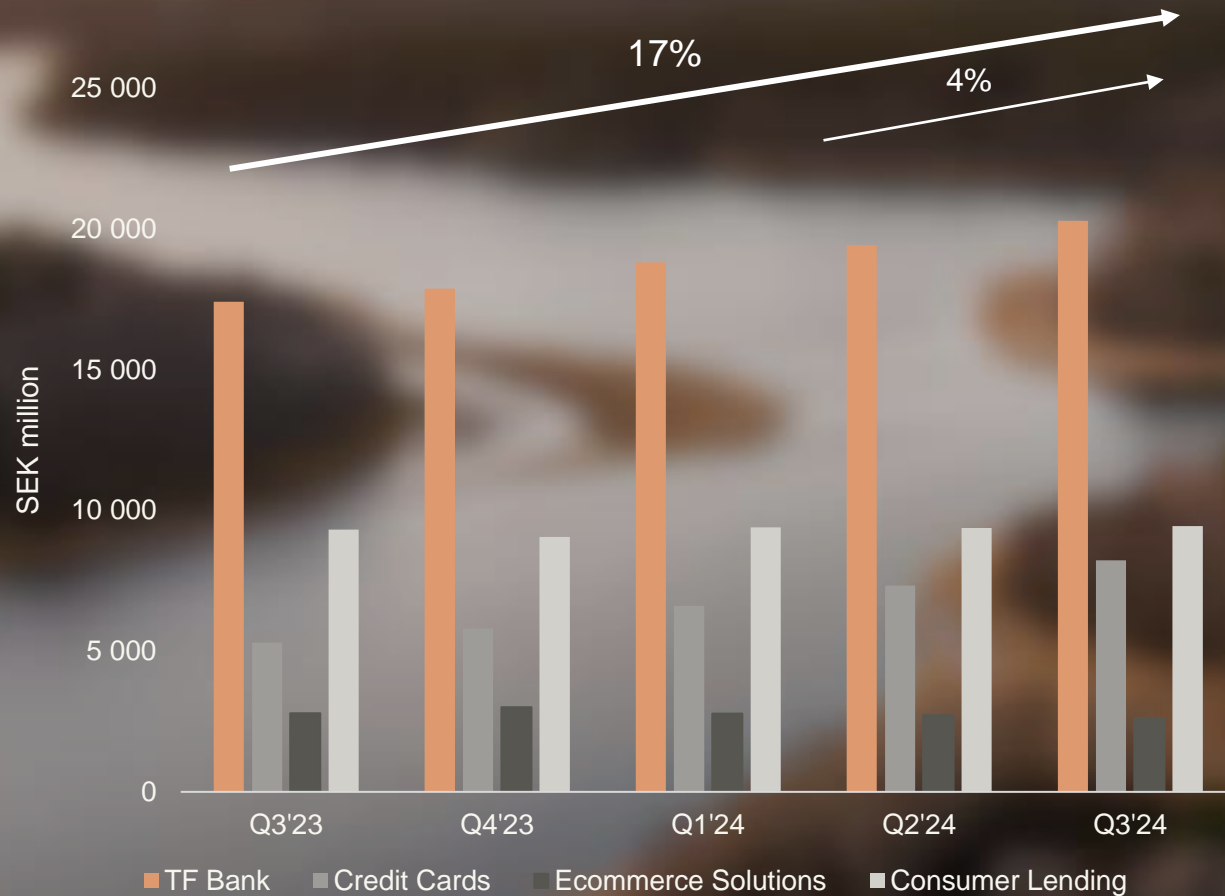
# HIGHLIGHTS JULY – SEPTEMBER 2024

- Controlled growth during the quarter
  - 5 % in local currencies
- Operating profit 191 MSEK, +47% vs Q3-2023
  - Credit Cards and Ecommerce Solutions segment drives EPS
- Income growing faster than costs, the business is scaling well with improved Cost/Income ratio
- Issuance of new T2 instruments
- Entered into share purchase agreement - first step in separating Rediem Capital from TF Bank



\*Including restructuring costs of SEK 16 million

# LOAN BOOK GROWTH



\* In local currencies

TF Bank

# GROWTH AND DIVERSIFICATION

## Market update

### Germany and Austria

- Credit card product in high demand. Competitive CAC<sup>1)</sup>. Preparing the launch of credit offering in Ecommerce Solutions in Germany during Q4 2024.



### Norway

- Focus on protecting margins in Consumer Lending. The credit card and Ecommerce Solutions business keeps growing.



### Finland

- Focus on protecting margins and improve profitability.



### Sweden

- Focus on profitability in Ecommerce Solutions. New sales in Consumer Lending is paused.



### The Baltic states

- Portfolio growth and profitability focus in Consumer Lending. Ecommerce Solutions in run off from Q1 2024.



### New markets

- For Denmark underwriting is kept low, still building credit experience. Credit card product launched during Q2 in Spain and Q3 2024 in Italy.

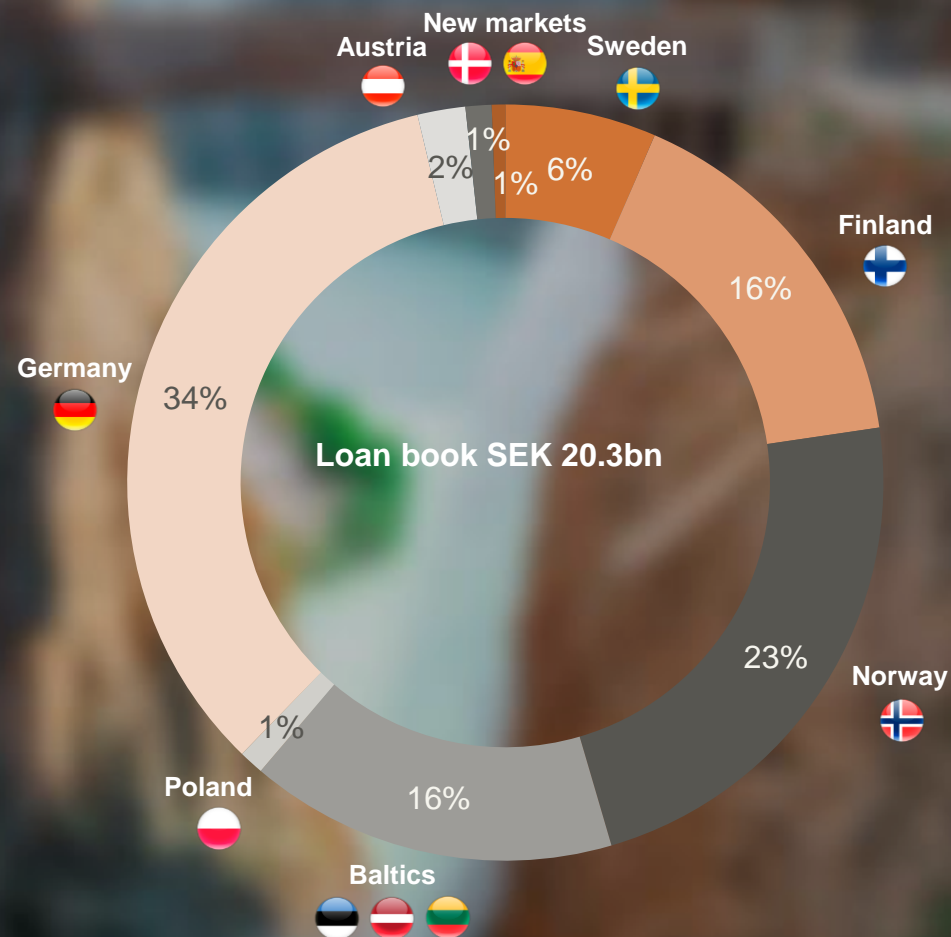


### Poland

- Both Consumer Lending and Ecommerce Solutions in run off.



## Loan book split by market<sup>2)</sup>



Notes: 1) Customer acquisition cost; 2) As of Q2 2024

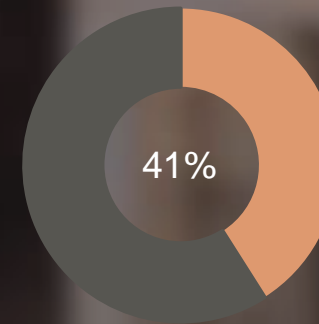
# CREDIT CARDS

## Highlights

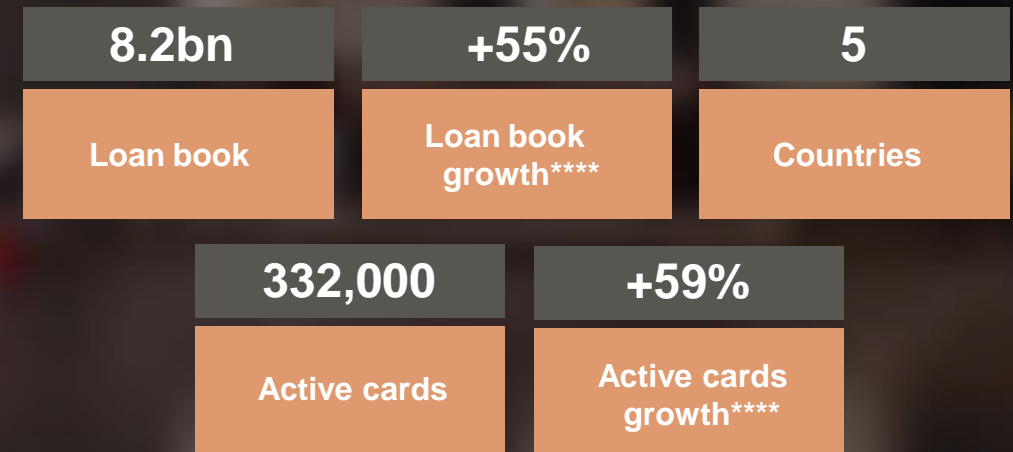
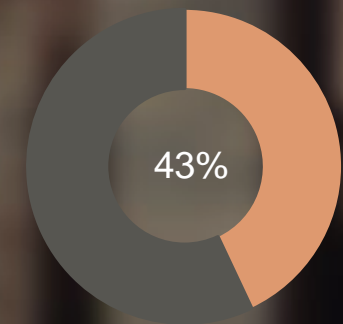
- The loan portfolio has surpassed SEK 8 billion
- Record level at 53,000 distributed cards in Germany, +44% YTD
- Continued scalability in the business model
- Soft launch in Spain and Italy during the last two quarters

Segment description
<ul style="list-style-type: none"> <li>• Gold plated and transparent offering – gold card with no fees</li> <li>• Different income profile compared to consumer loans                             <ul style="list-style-type: none"> <li>- "Low and grow" strategy</li> </ul> </li> <li>• Target markets are Germany, Norway, Austria, Spain and Italy. Addressable size of market in terms of number of consumers                             <ul style="list-style-type: none"> <li>- Germany 35 M*, Norway 3 M**, Austria 3 M***, Spain 12 M*** and Italy 10 M****</li> </ul> </li> </ul>

Share of TF Bank's loan book



Share of TF Bank's operating income



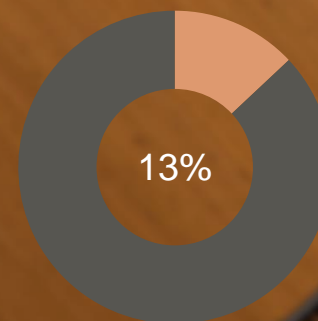
\* Schufa and TF Bank estimate, \*\* Gjeldsregistret and TF Bank estimate, \*\*\*TF Bank estimate, \*\*\*\* year-on-year

# ECOMMERCE SOLUTIONS

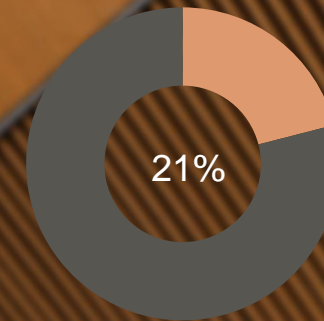
## Highlights

- Continuously improved profitability despite pressure in e-commerce sector in general
- Strong sales pipeline and focus on future growth
- Preparing to launch credit offering in Germany during Q4

Share of TF Bank's loan book



Share of TF Bank's operating income



**2.6bn**

Loan book

**-6%**

Loan book growth\*

**8**

Countries

**9.2bn**

Transaction volume

**-2%**

Transaction volume growth\*

### Segment description

- Digital payment solutions offered in the Nordic region, the Baltics and Poland
- Best-in-class white label Checkout+ solution. We support our partners, the merchants, throughout the whole customer journey

\* Year-on-year

# CONSUMER LENDING

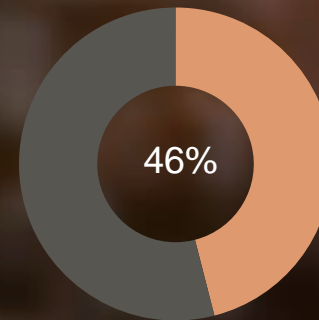
## Highlights

- Business as usual with best-in-class performance
- Focus on protecting margins
- Improved credit quality during the last quarters

### Segment description

- Diversified portfolio with Nordic base
- Product offering tailored for each market
  - Average loan size on book of SEK – 72,000
  - Tenor typically between 12 and 60 months
- Marketed through direct channels, own data base and external partners

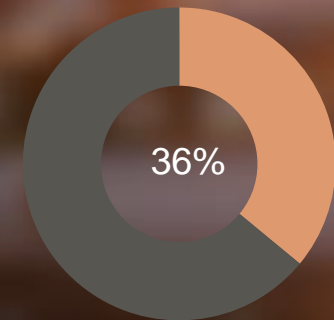
Share of TF Bank's loan book



9.4bn

Loan book

Share of TF Bank's operating income



1%

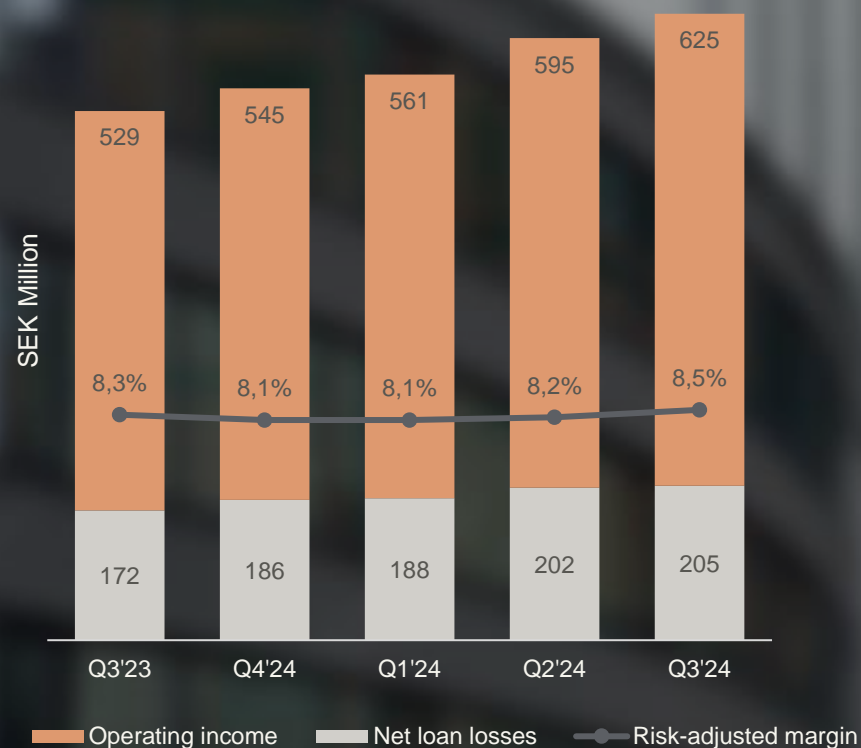
Loan book  
growth\*

10

Countries

\* Year-on-year

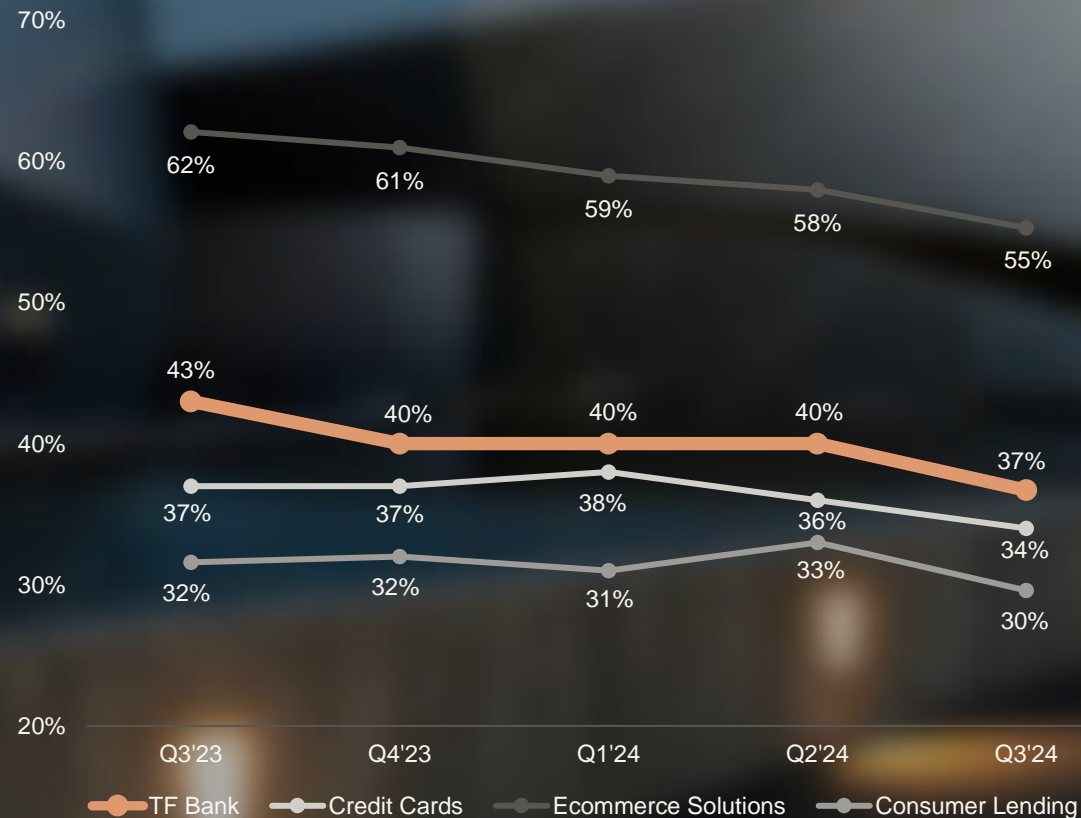
# IMPROVED RISK-ADJUSTED MARGIN



- **Risk-adjusted income\***
  - Improved risk-adjusted margin\*\*
- **Operating income**
  - Credit Cards the main driver
- **Net loan losses\*\***
  - Stabilised net loan losses

\* Operating income minus net loan losses, \*\* ratio = current quarter annualised

# OPEX – COST/INCOME RATIO BY SEGMENT



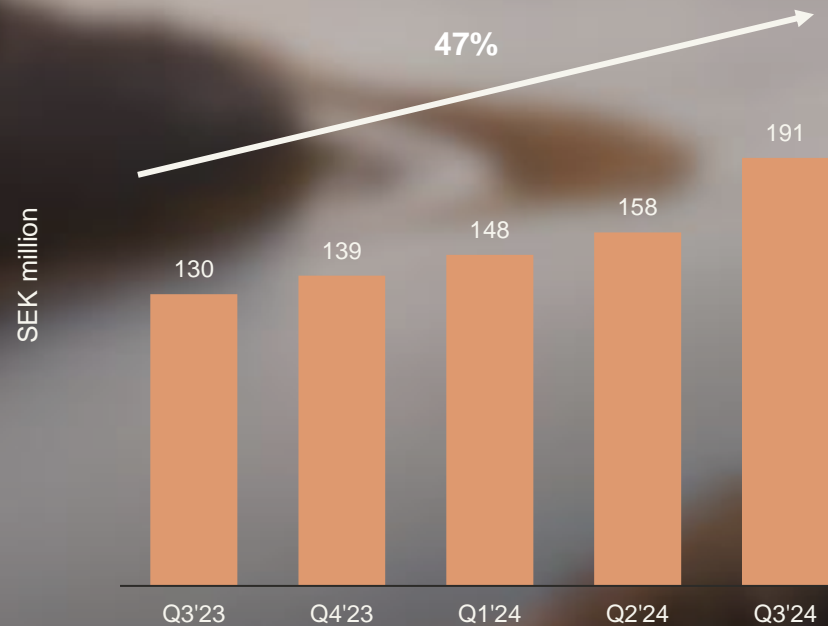
- **Operating expenses Q3-24 vs. Q3-23, +1%**
  - Restructuring costs of SEK 16 million in Q3 2023
  - Scalability in the business model
  - Seasonal effects in Q3

## Cost/income ratio per segment in Q3-24

- Credit Cards 34%
- Ecommerce Solutions 55%
- Consumer Lending 30%

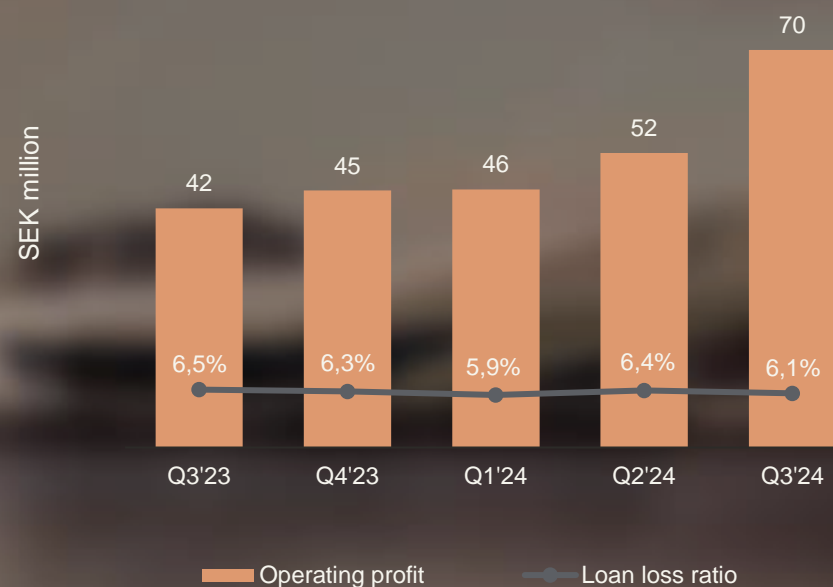
# INCREASED PROFIT QUARTER-BY-QUARTER

## Operating profit



- **Operating profit Q3-24 vs. Q3-23, +47%**
  - Growing operating income
  - EPS driven by Credit Cards and Ecommerce Solutions
  - Restructuring costs of SEK 16 million in Q3 2023
- **Improved profitability in Q3-2024**
  - Return on equity, 25.5%
  - Earnings per share, 6.53 SEK

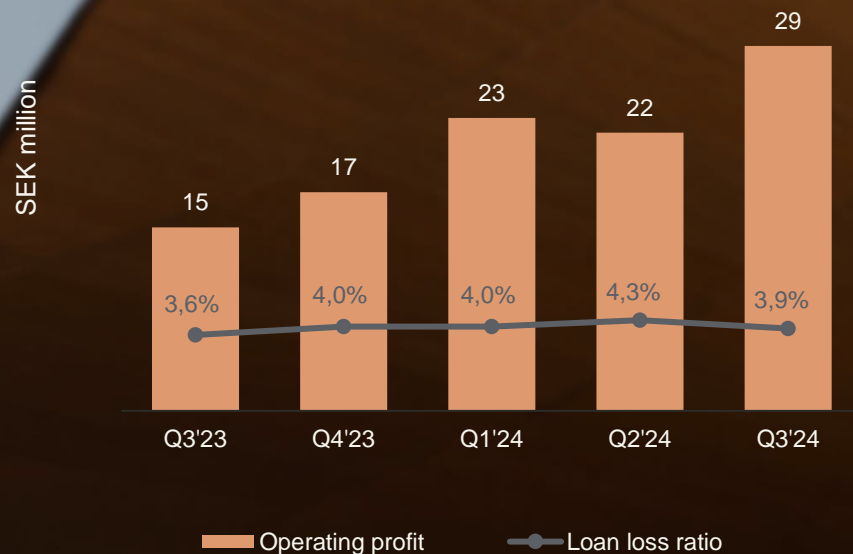
# CREDIT CARDS: HIGHER OPERATING PROFIT



- **Operating profit Q3-24 vs. Q3-23, +66%**
  - Growing operating income
  - Economies of scale
  - Diversified marketing strategy
  - Return on allocated equity\*, 25.6%
- **High investment pace**
  - Issued cards on record level
  - New markets: Spain and Italy

\* Operating profit minus standard tax deduction divided by allocated equity to the segment

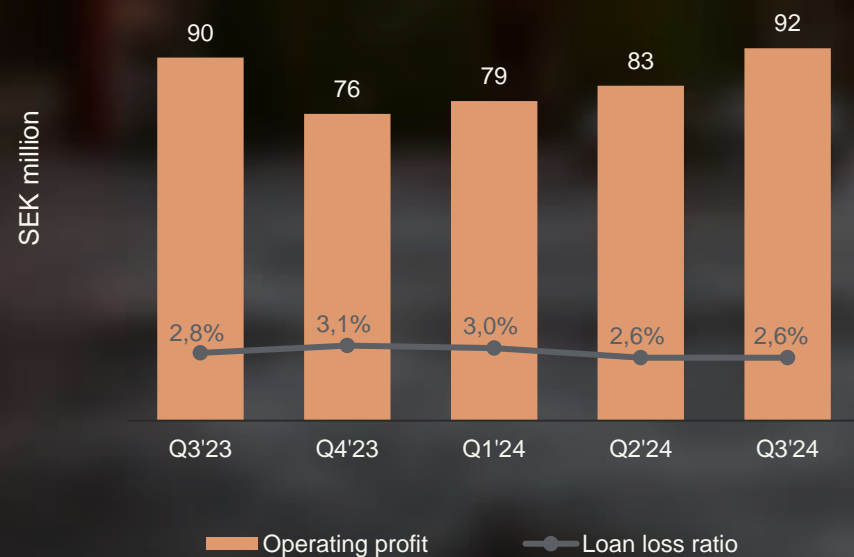
# ECOMMERCE SOLUTIONS: STRONG PROFITABILITY



- **Operating profit Q3-24 vs. Q3-23, +99%**
  - Higher operating income margin
  - Return on allocated equity\*, 30.2%
    - Decreasing loan book
    - Underlying strong business model
- **Stabilised loan losses during the quarter**
  - Loan loss ratio 3.9%
  - Credit quality in Sweden and Finland

\* Operating profit minus standard tax deduction divided by allocated equity to the segment

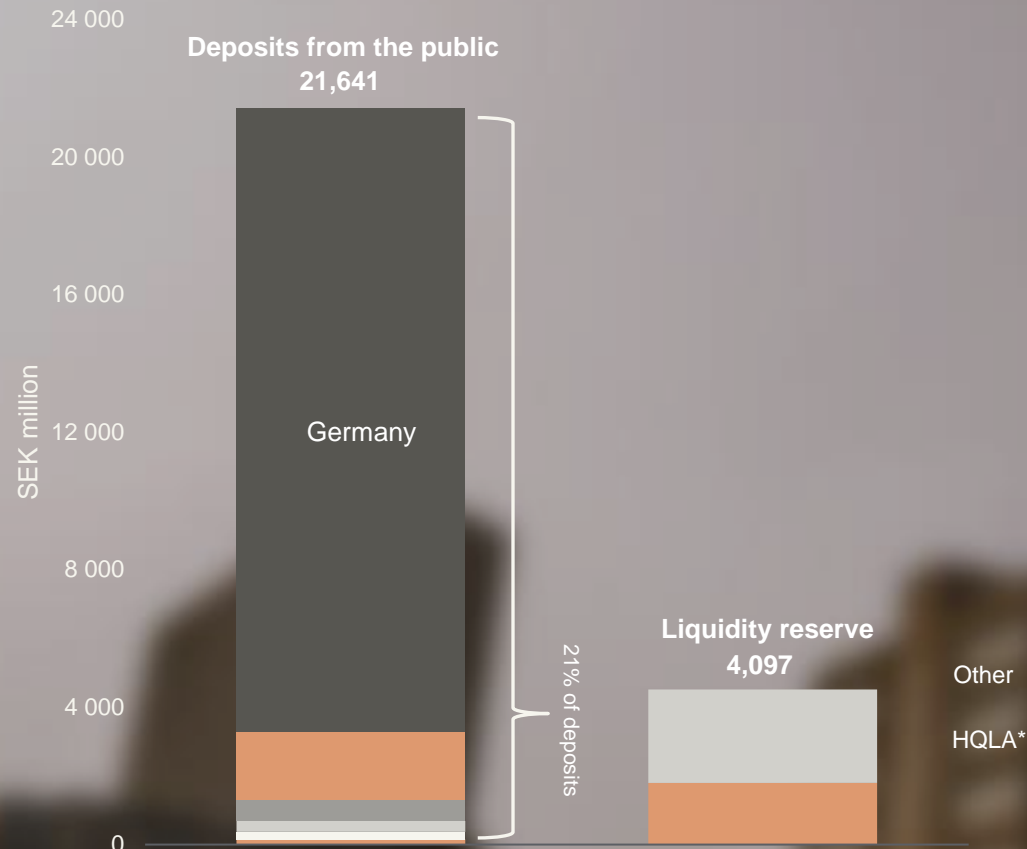
# CONSUMER LENDING: FOCUS ON MARGINS



- **Operating profit Q3-24 vs. Q3-23, +3%**
  - Stabilised risk-adjusted margin
- **Return on allocated equity\*, 26.9%**
  - **Positive trend for loan loss ratio**
    - General improvement in credit quality

\* Operating profit minus standard tax deduction divided by allocated equity to the segment

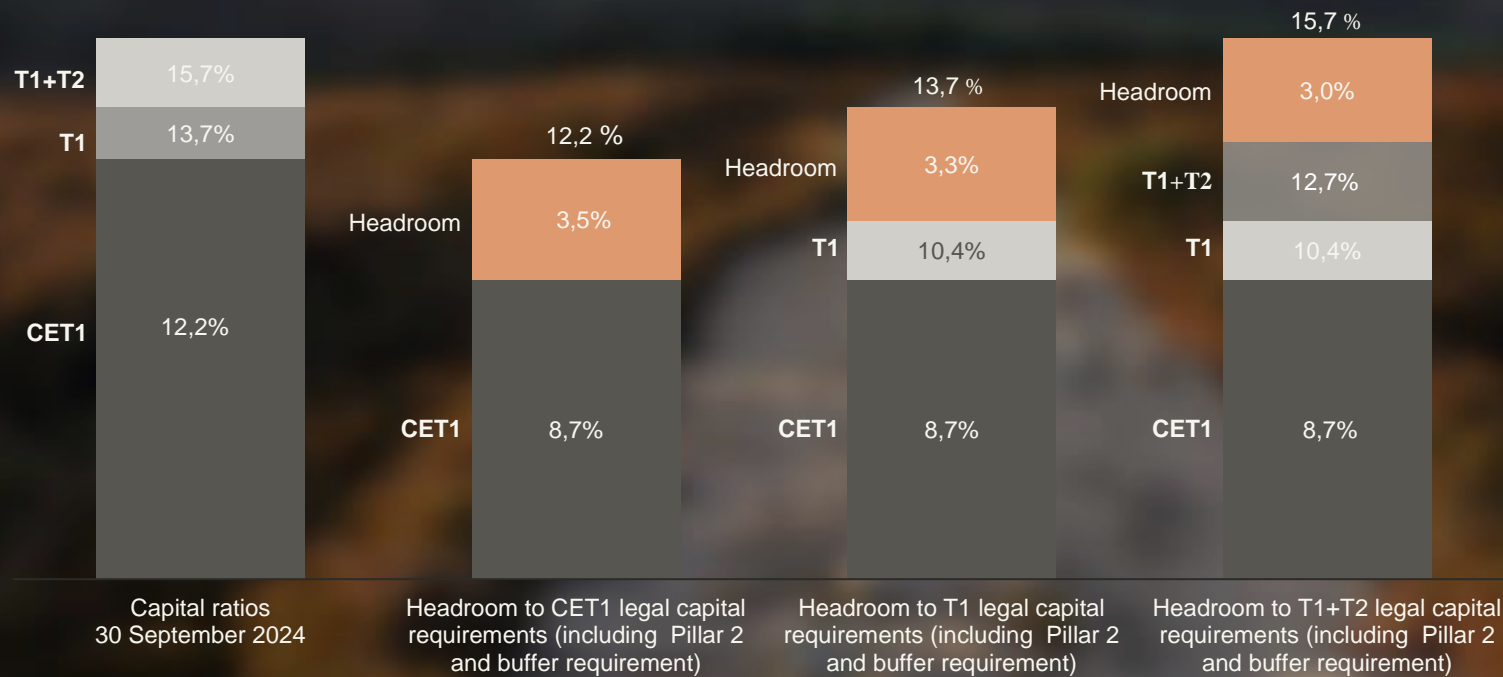
# FUNDING AND LIQUIDITY



- **Retail deposits in Europe**
  - Germany (SEK 18.1 billion)
  - New markets (SEK 2.8 billion)
  - Nordics (SEK 0.7 billion)
  - Fixed-term deposits: 63%
- **Liquidity reserve: 21% of deposits**
- **NSFR/LCR – legal position from SFSA**
  - Key figures not affected

\* EU-commission, ESM, Sweden and Norway with a remaining term to maturity of up to 12 months. Norway government bonds with maturity date 2026-02-19 and Swedish municipalities expiring in October 2024

# CAPITAL SITUATION



- NPL backstop regulations impacts own funds (SEK -109 million)
  - Further streamlining the use of capital through separation of Rediem Capital
- Reissuance of T2 instruments, SEK 100 million
- Optimised capital situation and comfortable headroom to legal requirements
- SFSA has initiated SREP in September

# LOOKING AHEAD



- Continue the transformation towards becoming more of a European credit and payment platform
- Finalising the separation of Rediem Capital from TF Bank
- New financial targets to be communicated
- Launching credit offering in Ecommerce Solutions in Germany during Q4 2024



# Q&A Session



# Appendix

# CORPORATE PROFILE

## Our Products

Operating with modern and scalable infrastructure offering our retail customers online consumer loans, deposits and credit cards. For retailers we offer leading ecommerce and brick-and-mortar payment solutions

## Our DNA

We aim to deliver effortless banking to our customers by being reliable, responsible and straightforward in our dealings with them

## Our Geographical footprint

We serve customers in the Nordics, Germany, Austria, Spain, the Baltics, Poland, Ireland, the Netherlands and Italy.

## The investment case

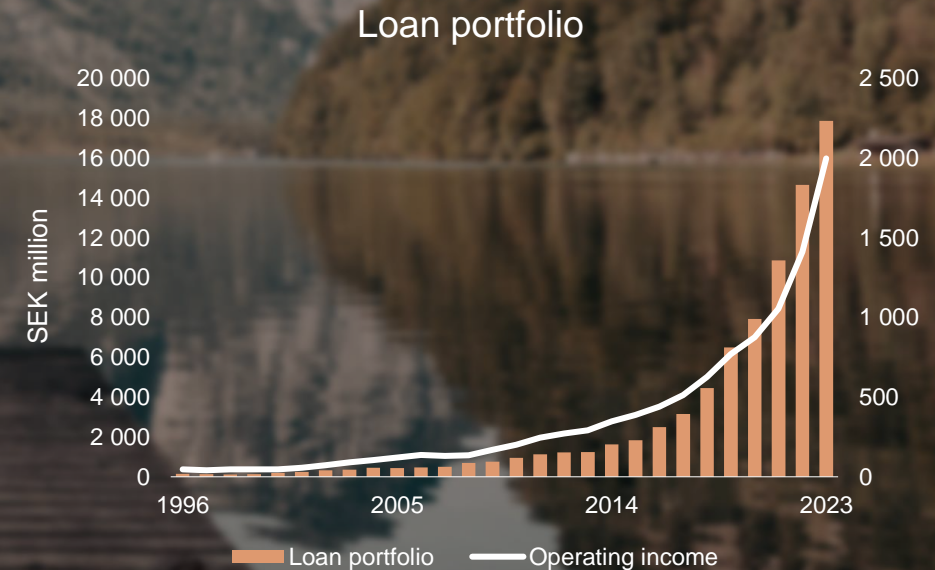
We operate in carefully selected niches where we can leverage on our platform and expertise to deliver attractive and sustainable risk adjusted growing returns

# LONG TRACK RECORD OF PROFITABLE GROWTH

## Long experience and proven business model

- 30 years+ experience from consumer finance industry
- Highly profitable core markets with proven model for geographical expansion into new high-growth markets
- Three complementary business segments

## Strong track record on growth and profitability



# Board of Directors



**John Brehmer**  
*Chairman of the Board since 2020*  
*Board member since 2010*  
**Current commitments:**  
**Chairman:** Mederion AB, Tiberon AB, Zebware AB  
**Board member:** Consortio Invest AB, Consortio Business Center AB, Consortio CS Holding AB  
**Holdings in company:** 3 371 791 shares



**Arti Zeighami**  
*Board member since 2023*  
**Current commitments:**  
**Partner & Director, Senior advisor** AI@scale: Boston Consulting Group (BCG X)  
**Holdings in company:** 0 shares



**Sara Mindus**  
*Board member since 2020*  
**Current commitments:**  
**Board member:** Styrelseledamot: Besqab AB (publ), K-Fast Holding AB (publ), Dreams AB, Colibri Ventures AB, Faboss Invest AB och Duco Förvaltning AB. Board member and CEO: Sara Mindus AB  
**Holdings in company:** 25 000 shares



**Michael Lindengren**  
*Board member since 2021*  
**Current commitments:**  
**Chairman:** Acrap AB, Simplicity Stiftelsestjänst AB  
**Board member:** Simplicity AB, Sparbanksstiftelsen Sjuhärad and Sparbanken Sjuhärad (publ)  
**Holdings in company:** 5 000 shares



**Niklas Johansson**  
*Board member since 2022*  
**Current commitments:**  
**Chairman:** AREIM AB, Nordisk Renting AB  
**Board member:** Livförsäkringsbolaget Skandia, Trustly AB, Euroclear Sweden AB  
**Holdings in company:** 439 shares



**Fredrik Oweson**  
*Board member since 2022*  
**Current commitments:**  
**Chairman:** Scope Capital SA, MaiScope ApS, Woffel SA  
**Board member:** Swedish Bra Holding AB, Swedish Bra AB, Klättermusen Aktiebolag, Woodberry Ltd  
**Holdings in company:** 0 shares

# Executive Directors



**Joakim Jansson**<sup>1,2</sup>  
*CEO*

**Education:** PhD in Economics, Uppsala University.

At TF Bank since 2023 as CEO. Has previously held leading positions within Swedbank and Handelsbanken.

**Current commitments:** Rediem Capital AB (Chairman)

**Holdings in company:** 7 480 shares



**Mikael Meomuttel**<sup>1,2</sup>

*CFO, Deputy CEO and Head of Investor Relations*

**Education:** MSc, Business/Economics and Finance, University of Borås/University of Gothenburg.

At TF Bank since 2009, 2014 Deputy CEO and from 2018 also the Group's Head of IR. Previously, among other things, been Financial Controller at Consortio Fashion Group AB (CFG).

**Current commitments:** Torhamnsskär Holding AB (Chairman), Rediem Capital AB (Board member)

**Holdings in company:** 34 000 shares



**Espen Johannesen**<sup>1,2</sup>  
*COO*

**Education:** Executive M.B.A Management control Norwegian School of Economics (NHH), Bachelor of economics, Business BI Norwegian School of Management

At TF Bank since 2015, as CEO of BB Bank 2015-2020 (now branch TF Bank Norway), Country Manager Germany 2020-2021 and from 2021 COO for the Group.

**Holdings in company:** 34 193 shares

<sup>1</sup>Executive Directors: As stipulated by the Swedish Companies Act (ABL).

<sup>2</sup>Corporate committee: Follow-up of risk management routines and for in-depth discussions regarding the Bank's overall risk situation and reports prior to Board meetings.

# Contact

## Investor relations

Mikael Meomuttel

+46 706 26 95 33

[ir@tfbank.se](mailto:ir@tfbank.se)

[www.tfbankgroup.com](http://www.tfbankgroup.com)